AN ACT Relating to the management, oversight, and use of data; adding new chapters to Title 19 RCW; adding a new chapter to Title 43 RCW; adding a new section to chapter 42.56 RCW; prescribing penalties; and providing an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. SHORT TITLE. This act may be known and cited as the Washington privacy act.

NEW SECTION. Sec. 2. LEGISLATIVE FINDINGS AND INTENT. (1) The legislature finds that the people of Washington regard their privacy as a fundamental right and an essential element of their individual freedom. Washington's Constitution explicitly provides the right to privacy, and fundamental privacy rights have long been and continue to be integral to protecting Washingtonians and to safeguarding our democratic republic.

(2) Ongoing advances in technology have produced an exponential growth in the volume and variety of personal data being generated,
collected, stored, and analyzed, which presents both promise and potential peril. The ability to harness and use data in positive ways is driving innovation and brings beneficial technologies to society; however, it has also created risks to privacy and freedom. The unregulated and unauthorized use and disclosure of personal information and loss of privacy can have devastating impacts, ranging from financial fraud, identity theft, and unnecessary costs, to personal time and finances, to destruction of property, harassment, reputational damage, emotional distress, and physical harm.

(3) Given that technological innovation and new uses of data can help solve societal problems, protect public health associated with global pandemics, and improve quality of life, the legislature seeks to shape responsible public policies where innovation and protection of individual privacy coexist. The legislature notes that our federal authorities have not developed or adopted into law regulatory or legislative solutions that give consumers control over their privacy. In contrast, the European Union's general data protection regulation has continued to influence data privacy policies and practices of those businesses competing in global markets. In the absence of federal standards, Washington and other states across the United States are analyzing elements of the European Union's general data protection regulation to enact state-based data privacy regulatory protections.

(4) Responding to COVID-19 illustrates the need for public policies that protect individual privacy while fostering technological innovation. For years, contact tracing best practices have been used by public health officials to securely process high value individual data and have effectively stopped the prolific spread of infectious diseases. However, the scale of COVID-19 is unprecedented. Contact tracing is evolving in a manner that necessitates the use of technology to rapidly collect and process data from multiple data sets, many of which are unanticipated, to
protect public health as well as to facilitate the continued safe
operation of the economy. The benefits of such technology, however,
should not supersede the potential privacy risks to individuals.

(5) Exposure notification applications have already been
deployed throughout the country and the world; however, contact
tracing technology is rapidly evolving. Applications may be
integrated in a manner that facilitates the aggregation and sharing
of individual data that in effect generate profiles of individuals.
Artificial intelligence may be used for the extrapolation of data to
analyze and interpret data for public health purposes. Moreover, the
potential government use of exposure notification applications poses
additional potential privacy risks to individuals due to the types
of sensitive data it has access to and processes. Much of that
processing may have legal effects, including access to services or
establishments. The capabilities of next generation contact tracing
technologies are unknown and policies must be in place to provide
privacy protections for current uses as well as potential future
uses.

(6) With this act, the legislature intends to provide a modern
privacy regulatory framework with data privacy guardrails to protect
individual privacy; to instill public confidence on the processing
use of their personal and public health data during any global
pandemic; and to require companies to be responsible custodians of
data as technological innovations emerge.

(7) This act gives consumers the ability to protect their own
rights to privacy by explicitly providing consumers the right to
access, correction, and deletion of personal data, as well as the
right to opt out of the collection and use of personal data for
certain purposes. These rights will add to, and not subtract from,
the consumer protection rights that consumers already have under
Washington state law.

(7) This act also imposes affirmative obligations upon companies
to safeguard personal data, and provide clear, understandable, and
transparent information to consumers about how their personal data are used. It strengthens compliance and accountability by requiring data protection assessments in the collection and use of personal data. Finally, it empowers the state attorney general to obtain and evaluate a company's data protection assessments, to impose penalties where violations occur, and to prevent against future violations.

(9) The legislature also encourages the state office of privacy and data protection to monitor the development of universal privacy controls that communicate a consumer's affirmative, freely given, and unambiguous choice to opt out of the processing of personal data concerning the consumer for the purposes of targeted advertising, the sale of personal data, or profiling in furtherance of decisions that produce legal effects concerning the consumer or similarly significant effects concerning consumers.

PART 1

Personal Data Privacy Regulations - Private Sector

NEW SECTION. Sec. 101. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Affiliate" means a legal entity that controls, is controlled by, or is under common control with, that other legal entity. For these purposes, "control" or "controlled" means ownership of, or the power to vote, more than fifty percent of the outstanding shares of any class of voting security of a company; control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or the power to exercise a controlling influence over the management of a company.

(2) "Authenticate" means to use reasonable means to determine that a request to exercise any of the rights in section 103 (1) through (4) of this act is being made by the consumer who is
entitled to exercise such rights with respect to the personal data at issue.

(3) "Business associate" has the same meaning as in Title 45 C.F.R., established pursuant to the federal health insurance portability and accountability act of 1996.

(4) "Child" means any natural person under thirteen years of age.

(5) "Consent" means a clear affirmative act signifying a freely given, specific, informed, and unambiguous indication of a consumer's agreement to the processing of personal data relating to the consumer, such as by a written statement, including by electronic means, or other clear affirmative action.

(6) "Consumer" means a natural person who is a Washington resident acting only in an individual or household context. It does not include a natural person acting in a commercial or employment context.

(7) "Controller" means the natural or legal person which, alone or jointly with others, determines the purposes and means of the processing of personal data.

(8) "Covered entity" has the same meaning as in Title 45 C.F.R., established pursuant to the federal health insurance portability and accountability act of 1996.

(9) "Decisions that produce legal effects concerning a consumer or similarly significant effects concerning a consumer" means decisions that result in the provision or denial of financial and lending services, housing, insurance, education enrollment, criminal justice, employment opportunities, health care services, or access to basic necessities, such as food and water.

(10) "Deidentified data" means data that cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable natural person, or a device linked to such person, provided that the controller that possesses the data:

(a) Takes reasonable measures to ensure that the data cannot be
associated with a natural person; (b) publicly commits to maintain and use the data only in a deidentified fashion and not attempt to reidentify the data; and (c) contractually obligates any recipients of the information to comply with all provisions of this subsection.

(11) "Health care facility" has the same meaning as in RCW 70.02.010.
(12) "Health care information" has the same meaning as in RCW 70.02.010.
(13) "Health care provider" has the same meaning as in RCW 70.02.010.
(14) "Identified or identifiable natural person" means a person who can be readily identified, directly or indirectly.
(15) "Institutions of higher education" has the same meaning as in RCW 28B.92.030.
(16) "Legislative agencies" has the same meaning as in RCW 44.80.020.
(17) "Local government" has the same meaning as in RCW 39.46.020.
(18) "Nonprofit corporation" has the same meaning as in RCW 24.03.005.
(19) (a) "Personal data" means any information that is linked or reasonably linkable to an identified or identifiable natural person. "Personal data" does not include deidentified data or publicly available information.
(b) For purposes of this subsection, "publicly available information" means information that is lawfully made available from federal, state, or local government records.
(20) "Process" or "processing" means any operation or set of operations which are performed on personal data or on sets of personal data, whether or not by automated means, such as the collection, use, storage, disclosure, analysis, deletion, or modification of personal data.
(21) "Processor" means a natural or legal person who processes personal data on behalf of a controller.

(22) "Profiling" means any form of automated processing of personal data to evaluate, analyze, or predict personal aspects concerning an identified or identifiable natural person's economic situation, health, personal preferences, interests, reliability, behavior, location, or movements.

(23) "Protected health information" has the same meaning as in Title 45 C.F.R., established pursuant to the federal health insurance portability and accountability act of 1996.

(24) "Pseudonymous data" means personal data that cannot be attributed to a specific natural person without the use of additional information, provided that such additional information is kept separately and is subject to appropriate technical and organizational measures to ensure that the personal data are not attributed to an identified or identifiable natural person.

(25)(a) "Sale," "sell," or "sold" means the exchange of personal data for monetary or other valuable consideration by the controller to a third party.

(b) "Sale" does not include the following: (i) The disclosure of personal data to a processor who processes the personal data on behalf of the controller; (ii) the disclosure of personal data to a third party with whom the consumer has a direct relationship for purposes of providing a product or service requested by the consumer; (iii) the disclosure or transfer of personal data to an affiliate of the controller; (iv) the disclosure of information that the consumer (A) intentionally made available to the general public via a channel of mass media, and (B) did not restrict to a specific audience; or (v) the disclosure or transfer of personal data to a third party as an asset that is part of a merger, acquisition, bankruptcy, or other transaction in which the third party assumes control of all or part of the controller's assets.
(26) "Security or safety purpose" means physical security, protection of consumer data, safety, fraud prevention, or asset protection.

(27) "Sensitive data" means (a) personal data revealing racial or ethnic origin, religious beliefs, mental or physical health condition or diagnosis, sexual orientation, or citizenship or immigration status; (b) the processing of genetic or biometric data for the purpose of uniquely identifying a natural person; (c) the personal data from a known child; or (d) specific geolocation data. "Sensitive data" is a form of personal data.

(28) "Specific geolocation data" means information derived from technology, including, but not limited to, global positioning system level latitude and longitude coordinates or other mechanisms, that directly identifies the specific location of a natural person with the precision and accuracy below one thousand seven hundred fifty feet. Specific geolocation data excludes the content of communications.

(29) "State agency" has the same meaning as in RCW 43.105.020.

(30) "Targeted advertising" means displaying advertisements to a consumer where the advertisement is selected based on personal data obtained from a consumer's activities over time and across nonaffiliated web sites or online applications to predict such consumer's preferences or interests. It does not include advertising: (a) Based on activities within a controller's own web sites or online applications; (b) based on the context of a consumer's current search query or visit to a web site or online application; or (c) to an individual in response to the consumer's request for information or feedback.

(31) "Third party" means a natural or legal person, public authority, agency, or body other than the consumer, controller, processor, or an affiliate of the processor or the controller.
NEW SECTION.  Sec. 102. JURISDICTIONAL SCOPE. (1) This chapter applies to legal entities that conduct business in Washington or produce products or services that are targeted to residents of Washington, and that satisfy one or more of the following thresholds:

(a) During a calendar year, controls or processes personal data of one hundred thousand consumers or more; or

(b) Derives over twenty-five percent of gross revenue from the sale of personal data and processes or controls personal data of twenty-five thousand consumers or more.

(2) This chapter does not apply to:

(a) State agencies, legislative agencies, local governments, tribes;

(b) Nonprofit corporations;

(c) Institutions of higher education;

(d) Municipal corporations;

(e) Information that meets the definition of:

(i) Protected health information for purposes of the federal health insurance portability and accountability act of 1996 and related regulations;

(ii) Health care information for purposes of chapter 70.02 RCW;

(iii) Patient identifying information for purposes of 42 C.F.R. Part 2, established pursuant to 42 U.S.C. Sec. 290dd-2;

(iv) Identifiable private information for purposes of the federal policy for the protection of human subjects, 45 C.F.R. Part 46; identifiable private information that is otherwise information collected as part of human subjects research pursuant to the good clinical practice guidelines issued by the international council for harmonisation; the protection of human subjects under 21 C.F.R. Parts 50 and 56; or personal data used or shared in research conducted in accordance with one or more of the requirements set forth in this subsection;
(v) Information and documents created specifically for, and collected and maintained by:

(A) A quality improvement committee for purposes of RCW 43.70.510, 70.230.080, or 70.41.200;

(B) A peer review committee for purposes of RCW 4.24.250;

(C) A quality assurance committee for purposes of RCW 74.42.640 or 18.20.390;

(D) A hospital, as defined in RCW 43.70.056, for reporting of health care-associated infections for purposes of RCW 43.70.056, a notification of an incident for purposes of RCW 70.56.040(5), or reports regarding adverse events for purposes of RCW 70.56.020(2)(b);

(vi) Information and documents created for purposes of the federal health care quality improvement act of 1986, and related regulations;

(vii) Patient safety work product for purposes of 42 C.F.R. Part 3, established pursuant to 42 U.S.C. Sec. 299b-21 through 299b-26; or

(viii) Information that is (A) deidentified in accordance with the requirements for deidentification set forth in 45 C.F.R. Part 164, and (B) derived from any of the health care-related information listed in this subsection (2)(e);

(f) Information originating from, and intermingled to be indistinguishable with, information under (e) of this subsection that is maintained by:

(i) A covered entity or business associate as defined by the health insurance portability and accountability act of 1996 and related regulations;

(ii) A health care facility or health care provider as defined in RCW 70.02.010; or

(iii) A program or a qualified service organization as defined by 42 C.F.R. Part 2, established pursuant to 42 U.S.C. Sec. 290dd-2;
(g) Information used only for public health activities and purposes as described in 45 C.F.R. Sec. 164.512;

(h)(i) An activity involving the collection, maintenance, disclosure, sale, communication, or use of any personal information bearing on a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living by a consumer reporting agency, as defined in Title 15 U.S.C. Sec. 1681a(f), by a furnisher of information, as set forth in Title 15 U.S.C. Sec. 1681s-2, who provides information for use in a consumer report, as defined in Title 15 U.S.C. Sec. 1681a(d), and by a user of a consumer report, as set forth in Title 15 U.S.C. Sec. 1681b.

(ii) (f)(i) of this subsection shall apply only to the extent that such activity involving the collection, maintenance, disclosure, sale, communication, or use of such information by that agency, furnisher, or user is subject to regulation under the fair credit reporting act, Title 15 U.S.C. Sec. 1681 et seq., and the information is not collected, maintained, used, communicated, disclosed, or sold except as authorized by the fair credit reporting act;

(i) Personal data collected and maintained for purposes of chapter 43.71 RCW;

(j) Personal data collected, processed, sold, or disclosed pursuant to the federal Gramm-Leach-Bliley act (P.L. 106-102), and implementing regulations, if the collection, processing, sale, or disclosure is in compliance with that law;

(k) Personal data collected, processed, sold, or disclosed pursuant to the federal driver's privacy protection act of 1994 (18 U.S.C. Sec. 2721 et seq.), if the collection, processing, sale, or disclosure is in compliance with that law;

(l) Personal data regulated by the federal family education rights and privacy act, 20 U.S.C. Sec. 1232g and its implementing regulations;
(m) Personal data regulated by the student user privacy in education rights act, chapter 28A.604 RCW;

(n) Personal data collected, processed, sold, or disclosed pursuant to the federal farm credit act of 1971 (as amended in 12 U.S.C. Sec. 2001-2279cc) and its implementing regulations (12 C.F.R. Part 600 et seq.) if the collection, processing, sale, or disclosure is in compliance with that law; or

(o) Data maintained for employment records purposes.

(3) Controllers that are in compliance with the verifiable parental consent mechanisms under the children's online privacy protection act, Title 15 U.S.C. Sec. 6501 through 6506 and its implementing regulations, shall be deemed compliant with any obligation to obtain parental consent under this chapter.

(4) Payment-only credit, check, or cash transactions where no data about consumers are retained do not count as "consumers" for purposes of subsection (1) of this section.

NEW SECTION.  Sec. 103.  CONSUMER RIGHTS. (1) Access. A consumer has the right to confirm whether or not a controller is processing personal data concerning the consumer and access such personal data.

(2) Correction. A consumer has the right to correct inaccurate personal data concerning the consumer, taking into account the nature of the personal data and the purposes of the processing of the personal data.

(3) Deletion. A consumer has the right to delete personal data concerning the consumer.

(4) Data portability. A consumer has the right to obtain personal data concerning the consumer, which the consumer previously provided to the controller, in a portable and, to the extent technically feasible, readily usable format that allows the individual to transmit the data to another controller without hindrance, where the processing is carried out by automated means.
(5) Opt out of certain processing. A consumer has the right to opt out of the processing of personal data concerning such consumer for purposes of targeted advertising, the sale of personal data, or profiling in furtherance of decisions that produce legal effects concerning a consumer or similarly significant effects concerning a consumer.

**NEW SECTION. Sec. 104. EXERCISING CONSUMER RIGHTS.** (1) Consumers may exercise the rights set forth in section 103 of this chapter by submitting a request, at any time, to a controller specifying which rights the individual wishes to exercise.

(2) In the case of processing personal data concerning a known child, the parent or legal guardian of the known child shall exercise the rights of this chapter on the child's behalf.

(3) In the case of processing personal data concerning a consumer subject to guardianship, conservatorship, or other protective arrangement under chapter 11.88 RCW, chapter 11.92 RCW, or chapter 11.130 RCW, the guardian or the conservator of the consumer shall exercise the rights of this chapter on the consumer's behalf.

**NEW SECTION. Sec. 105. RESPONDING TO REQUESTS.** (1) Except as provided in this chapter, the controller must comply with a request to exercise the rights pursuant to section 103 of this act.

(2)(a) Controllers must provide one or more secure and reliable means for consumers to submit a request to exercise their rights under this chapter. Such means shall take into account the ways in which consumers interact with the controller and the need for secure and reliable communication of such requests.

(b) Controllers shall not require a consumer to create a new account in order to exercise a right, but a controller may require a consumer to use an existing account to exercise the consumer's rights under this chapter.
(3)(a) A controller must inform a consumer of any action taken on a request under section 104 of this act without undue delay and in any event within forty-five days of receipt of the request. That period may be extended once by forty-five additional days where reasonably necessary, taking into account the complexity and number of the requests. The controller must inform the consumer of any such extension within forty-five days of receipt of the request, together with the reasons for the delay.

(b) If a controller does not take action on the request of a consumer, the controller must inform the consumer without undue delay and at the latest within forty-five days of receipt of the request of the reasons for not taking action and instructions for how to appeal the decision with the controller as described in subsection (3) of this section.

(c) Information provided under this section must be provided by the controller free of charge, up to twice annually to the consumer. Where requests from a consumer are manifestly unfounded or excessive, in particular because of their repetitive character, the controller may either: (i) Charge a reasonable fee to cover the administrative costs of complying with the request, or (ii) refuse to act on the request. The controller bears the burden of demonstrating the manifestly unfounded or excessive character of the request.

(d) A controller is not required to comply with a request to exercise any of the rights under subsections (1) through (4) of section 103 of this act if the controller is unable to authenticate the request using commercially reasonable efforts. In such cases, the controller may request the provision of additional information reasonably necessary to authenticate the request.

(4)(a) Controllers must establish an internal process whereby consumers may appeal a refusal to take action on a request to exercise any of the rights under section 103 of this act within a
reasonable period of time after the consumer's receipt of the notice sent by the controller under subsection (3)(b) of this section.

(b) The appeal process must be conspicuously available and as easy to use as the process for submitting such requests under this section.

(c) Within thirty days of receipt of an appeal, a controller must inform the consumer of any action taken or not taken in response to the appeal, along with a written explanation of the reasons in support thereof. That period may be extended by sixty additional days where reasonably necessary, taking into account the complexity and number of the requests serving as the basis for the appeal. The controller must inform the consumer of any such extension within thirty days of receipt of the appeal, together with the reasons for the delay. The controller must also provide the consumer with an email address or other online mechanism through which the consumer may submit the appeal, along with any action taken or not taken by the controller in response to the appeal and the controller's written explanation of the reasons in support thereof, to the attorney general.

(d) When informing a consumer of any action taken or not taken in response to an appeal pursuant to (c) of this subsection, the controller must clearly and prominently ask the consumer whether the consumer consents to having the controller submit the appeal, along with any action taken or not taken by the controller in response to the appeal and must, upon request, provide the controller's written explanation of the reasons in support thereof, to the attorney general. If the consumer provides such consent, the controller must submit such information to the attorney general.

NEW SECTION. Sec. 106. RESPONSIBILITY ACCORDING TO ROLE. (1) Controllers and processors are responsible for meeting their respective obligations established under this chapter.
(2) Processors are responsible under this chapter for adhering to the instructions of the controller and assisting the controller to meet its obligations under this chapter. Such assistance shall include the following:

(a) Taking into account the nature of the processing, the processor shall assist the controller by appropriate technical and organizational measures, insofar as this is possible, for the fulfillment of the controller's obligation to respond to consumer requests to exercise their rights pursuant to section 103 of this act; and

(b) Taking into account the nature of processing and the information available to the processor, the processor shall assist the controller in meeting the controller's obligations in relation to the security of processing the personal data and in relation to the notification of a breach of the security of the system pursuant to RCW 19.255.010; and shall provide information to the controller necessary to enable the controller to conduct and document any data protection assessments required by section 113 of this chapter.

(3) Notwithstanding the instructions of the controller, a processor shall:

(a) Implement and maintain reasonable security procedures and practices to protect personal data, taking into account the context in which the personal data are to be processed;

(b) Ensure that each person processing the personal data is subject to a duty of confidentiality with respect to the data; and

(c) Engage a subcontractor only after providing the controller with an opportunity to object and pursuant to a written contract in accordance with subsection (5) of this section that requires the subcontractor to meet the obligations of the processor with respect to the personal data.

(4) Processing by a processor shall be governed by a contract between the controller and the processor that is binding on both parties and that sets out the processing instructions to which the
processor is bound, including the nature and purpose of the processing, the type of personal data subject to the processing, the duration of the processing, and the obligations and rights of both parties. In addition, the contract shall include the requirements imposed by this subsection and subsection (3) of this section, as well as the following requirements:

(a) At the choice of the controller, the processor shall delete or return all personal data to the controller as requested at the end of the provision of services, unless retention of the personal data is required by law;

(b)(i) The processor shall make available to the controller all information necessary to demonstrate compliance with the obligations in this chapter; and (ii) the processor shall allow for, and contribute to, reasonable audits and inspections by the controller or the controller's designated auditor; alternatively, the processor may, with the controller's consent, arrange for a qualified and independent auditor to conduct, at least annually and at the processor's expense, an audit of the processor's policies and technical and organizational measures in support of the obligations under this chapter using an appropriate and accepted control standard or framework and audit procedure for such audits as applicable, and shall provide a report of such audit to the controller upon request.

(5) In no event shall any contract relieve a controller or a processor from the liabilities imposed on them by virtue of its role in the processing relationship as defined by this chapter.

(6) Determining whether a person is acting as a controller or processor with respect to a specific processing of data is a fact-based determination that depends upon the context in which personal data are to be processed. A person that is not limited in its processing of personal data pursuant to a controller's instructions, or that fails to adhere to such instructions, is a controller and not a processor with respect to a specific processing of data.
processor that continues to adhere to a controller's instructions with respect to a specific processing of personal data remains a processor. If a processor begins, alone or jointly with others, determining the purposes and means of the processing of personal data, it is a controller with respect to such processing.

NEW SECTION. Sec. 107. RESPONSIBILITIES OF CONTROLLERS. (1) Transparency. (a) Controllers shall provide consumers with a reasonably accessible, clear, and meaningful privacy notice that includes:

(i) The categories of personal data processed by the controller;
(ii) The purposes for which the categories of personal data are processed;
(iii) How and where consumers may exercise the rights contained in section 103 of this act, including how a consumer may appeal a controller's action with regard to the consumer's request;
(iv) The categories of personal data that the controller shares with third parties, if any; and
(v) The categories of third parties, if any, with whom the controller shares personal data.

(b) If a controller sells personal data to third parties or processes personal data for targeted advertising, it must clearly and conspicuously disclose such processing, as well as the manner in which a consumer may exercise the right to opt out of such processing, in a clear and conspicuous manner.

(2) Purpose specification. A controller's collection of personal data must be limited to what is reasonably necessary in relation to the purposes for which such data are processed.

(3) Data minimization. A controller's collection of personal data must be adequate, relevant, and limited to what is reasonably necessary in relation to the purposes for which such data are processed.
(4) **Avoid secondary use.** Except as provided in this chapter, a controller may not process personal data for purposes that are not reasonably necessary to, or compatible with, the purposes for which such personal data are processed unless the controller obtains the consumer's consent.

(5) **Security.** A controller shall establish, implement, and maintain reasonable administrative, technical, and physical data security practices to protect the confidentiality, integrity, and accessibility of personal data. Such data security practices shall be appropriate to the volume and nature of the personal data at issue.

(6) **Nondiscrimination.** A controller shall not process personal data on the basis of a consumer’s or a class of consumers' actual or perceived race, color, ethnicity, religion, national origin, sex, gender, gender identity, sexual orientation, familial status, lawful source of income, or disability, in a manner that unlawfully discriminates against the consumer or class of consumers with respect to the offering or provision of (a) housing, (b) employment, (c) credit, (d) education, or (e) the goods, services, facilities, privileges, advantages, or accommodations of any place of public accommodation.

(7) **Antiretaliation.** A controller shall not discriminate against a consumer for exercising any of the rights contained in this chapter, including denying goods or services to the consumer, charging different prices or rates for goods or services, and providing a different level of quality of goods and services to the consumer. This subsection shall not prohibit a controller from offering a different price, rate, level, quality, or selection of goods or services to a consumer, including offering goods or services for no fee, if the offering is in connection with a consumer's voluntary participation in a bona fide loyalty, rewards, premium features, discounts, or club card program. A controller may not sell personal data to a third-party controller as part of such a

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program unless: (a) The sale is reasonably necessary to enable the third party to provide a benefit to which the consumer is entitled; (b) the sale of personal data to third parties is clearly disclosed in the terms of the program; and (c) the third party uses the personal data only for purposes of facilitating such benefit to which the consumer is entitled and does not retain or otherwise use or disclose the personal data for any other purpose.

(8) Sensitive data. Except as otherwise provided in this act, a controller may not process sensitive data concerning a consumer without obtaining the consumer's consent, or, in the case of the processing of personal data concerning a known child, without obtaining consent from the child's parent or lawful guardian, in accordance with the children's online privacy protection act requirements.

(9) Nonwaiver of consumer rights. Any provision of a contract or agreement of any kind that purports to waive or limit in any way a consumer's rights under this chapter shall be deemed contrary to public policy and shall be void and unenforceable.

NEW SECTION. Sec. 108. PROCESSING DEIDENTIFIED DATA OR PSEUDONYMOUS DATA. (1) This chapter does not require a controller or processor to do any of the following solely for purposes of complying with this chapter:

(a) Reidentify deidentified data;
(b) Comply with an authenticated consumer request to access, correct, delete, or port personal data pursuant to section 103 (1) through (4) of this act, if all of the following are true:

(i)(A) The controller is not reasonably capable of associating the request with the personal data, or (B) it would be unreasonably burdensome for the controller to associate the request with the personal data;
(ii) The controller does not use the personal data to recognize or respond to the specific consumer who is the subject of the
personal data, or associate the personal data with other personal
data about the same specific consumer; and

(iii) The controller does not sell the personal data to any
third party or otherwise voluntarily disclose the personal data to
any third party other than a processor, except as otherwise
permitted in this section; or

(c) Maintain data in identifiable form, or collect, obtain,
retain, or access any data or technology, in order to be capable of
associating an authenticated consumer request with personal data.

(2) The rights contained in section 103 (1) through (4) of this
act do not apply to pseudonymous data in cases where the controller
is able to demonstrate any information necessary to identify the
consumer is kept separately and is subject to effective technical
and organizational controls that prevent the controller from
accessing such information.

(3) A controller that uses pseudonymous data or deidentified
data must exercise reasonable oversight to monitor compliance with
any contractual commitments to which the pseudonymous data or
deidentified data are subject and must take appropriate steps to
address any breaches of contractual commitments.

NEW SECTION. Sec. 109. DATA PROTECTION ASSESSMENTS. (1)
Controllers must conduct and document a data protection assessment
of each of the following processing activities involving personal
data:

(a) The processing of personal data for purposes of targeted
advertising;

(b) The sale of personal data;

(c) The processing of personal data for purposes of profiling,
where such profiling presents a reasonably foreseeable risk of: (i)
Unfair or deceptive treatment of, or disparate impact on, consumers;
(ii) financial, physical, or reputational injury to consumers; (iii)
a physical or other intrusion upon the solitude or seclusion, or the
private affairs or concerns, of consumers, where such intrusion would be offensive to a reasonable person; or (iv) other substantial injury to consumers;

(d) The processing of sensitive data; and

(e) Any processing activities involving personal data that present a heightened risk of harm to consumers.

Such data protection assessments must take into account the type of personal data to be processed by the controller, including the extent to which the personal data are sensitive data, and the context in which the personal data are to be processed.

(2) Data protection assessments conducted under subsection (1) of this section must identify and weigh the benefits that may flow directly and indirectly from the processing to the controller, consumer, other stakeholders, and the public against the potential risks to the rights of the consumer associated with such processing, as mitigated by safeguards that can be employed by the controller to reduce such risks. The use of deidentified data and the reasonable expectations of consumers, as well as the context of the processing and the relationship between the controller and the consumer whose personal data will be processed, must be factored into this assessment by the controller.

(3) The attorney general may request, in writing, that a controller disclose any data protection assessment that is relevant to an investigation conducted by the attorney general. The controller must make a data protection assessment available to the attorney general upon such a request. The attorney general may evaluate the data protection assessments for compliance with the responsibilities contained in section 107 of this act and with other laws including, but not limited to, chapter 19.86 RCW. Data protection assessments are confidential and exempt from public inspection and copying under chapter 42.56 RCW. The disclosure of a data protection assessment pursuant to a request from the attorney general under this subsection does not constitute a waiver of the
attorney-client privilege or work product protection with respect to the assessment and any information contained in the assessment.

(4) Data protection assessments conducted by a controller for the purpose of compliance with other laws or regulations may qualify under this section if they have a similar scope and effect.

NEW SECTION. **Sec. 110. LIMITATIONS AND APPLICABILITY.** (1) The obligations imposed on controllers or processors under this chapter do not restrict a controller's or processor's ability to:

(a) Comply with federal, state, or local laws, rules, or regulations;

(b) Comply with a civil, criminal, or regulatory inquiry, investigation, subpoena, or summons by federal, state, local, or other governmental authorities;

(c) Cooperate with law enforcement agencies concerning conduct or activity that the controller or processor reasonably and in good faith believes may violate federal, state, or local laws, rules, or regulations;

(d) Investigate, establish, exercise, prepare for, or defend legal claims;

(e) Provide a product or service specifically requested by a consumer, perform a contract to which the consumer is a party, or take steps at the request of the consumer prior to entering into a contract;

(f) Take immediate steps to protect an interest that is essential for the life of the consumer or of another natural person, and where the processing cannot be manifestly based on another legal basis;

(g) Prevent, detect, protect against, or respond to security incidents, identity theft, fraud, harassment, malicious or deceptive activities, or any illegal activity; preserve the integrity or security of systems; or investigate, report, or prosecute those responsible for any such action;
(h) Engage in public or peer-reviewed scientific, historical, or statistical research in the public interest that adheres to all other applicable ethics and privacy laws as long as such processing is disclosed to the individual in the notice required under section 107 of this act; or

(i) Assist another controller, processor, or third party with any of the obligations under this subsection.

(2) The obligations imposed on controllers or processors under this chapter do not restrict a controller's or processor's ability to collect, use, or retain data to:

(a) Conduct internal research solely to improve or repair products, services, or technology;

(b) Identify and repair technical errors that impair existing or intended functionality; or

(c) Perform solely internal operations that are reasonably aligned with the expectations of the consumer based on the consumer's existing relationship with the controller, or are otherwise compatible with processing in furtherance of the provision of a product or service specifically requested by a consumer or the performance of a contract to which the consumer is a party.

(3) The obligations imposed on controllers or processors under this chapter do not apply where compliance by the controller or processor with this chapter would violate an evidentiary privilege under Washington law and do not prevent a controller or processor from providing personal data concerning a consumer to a person covered by an evidentiary privilege under Washington law as part of a privileged communication.

(4) A controller or processor that discloses personal data to a third-party controller or processor in compliance with the requirements of this chapter is not in violation of this chapter if the recipient processes such personal data in violation of this chapter, provided that, at the time of disclosing the personal data, the disclosing controller or processor did not have actual knowledge
that the recipient intended to commit a violation. A third-party controller or processor receiving personal data from a controller or processor in compliance with the requirements of this chapter is likewise not in violation of this chapter for the obligations of the controller or processor from which it receives such personal data.

(5) Obligations imposed on controllers and processors under this chapter shall not:

(a) Adversely affect the rights or freedoms of any persons, such as exercising the right of free speech pursuant to the First Amendment to the United States Constitution; or

(b) Apply to the processing of personal data by a natural person in the course of a purely personal or household activity.

(6) Personal data that are processed by a controller pursuant to this section must not be processed for any purpose other than those expressly listed in this section. Personal data that are processed by a controller pursuant to this section may be processed solely to the extent that such processing is: (i) Necessary, reasonable, and proportionate to the purposes listed in this section; and (ii) adequate, relevant, and limited to what is necessary in relation to the specific purpose or purposes listed in this section.

Furthermore, personal data that are collected, used, or retained pursuant to subsection (2) of this section must, insofar as possible, taking into account the nature and purpose or purposes of such collection, use, or retention, be subjected to reasonable administrative, technical, and physical measures to protect the confidentiality, integrity, and accessibility of the personal data, and to reduce reasonably foreseeable risks of harm to consumers relating to such collection, use, or retention of personal data.

(7) If a controller processes personal data pursuant to an exemption in subsection (1) of this section, the controller bears the burden of demonstrating that such processing qualifies for the exemption and complies with the requirements in subsection (6) of this section.
(8) Processing personal data solely for the purposes expressly identified in subsection (1)(a) through (d) or (g) of this section does not, by itself, make an entity a controller with respect to such processing.

NEW SECTION. Sec. 111. LIABILITY. (1) Any violation of this chapter shall not serve as the basis for, or be subject to, a private right of action under this chapter or under any other law. This does not relieve any party from any duties or obligations imposed, or to alter any independent rights that consumers have under other laws, chapter 19.86 RCW, the Washington state Constitution, or the United States Constitution.

(2) Where more than one controller or processor, or both a controller and a processor, involved in the same processing, is in violation of this chapter, the liability must be allocated among the parties according to principles of comparative fault.

NEW SECTION. Sec. 112. ENFORCEMENT. (1) The legislature finds that the practices covered by this chapter are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this chapter is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.

(2) This chapter may be enforced solely by the attorney general under the consumer protection act, chapter 19.86 RCW.

(3) Prior to initiating any action under this act, the attorney general must provide a controller thirty days’ written notice identifying the specific provisions of this title the attorney general, on behalf of a consumer, alleges have been or are being violated. In the event a cure is possible, if within the thirty days the controller cures the noticed violation and provides the consumer an express written statement that the violations have been cured and
that no further violations shall occur, no action for statutory
damages may be initiated against the controller. If a controller
continues to violate this title in breach of the express written
statement provided to the consumer under this subsection, the
attorney general may initiate an action and seek damages of up to
seven thousand and five hundred dollars for each violation under
this act.

(4) All receipts from the imposition of civil penalties under
this chapter must be deposited into the consumer privacy account
established in section 113 of this act.

NEW SECTION. Sec. 113. CONSUMER PRIVACY ACCOUNT. The consumer
privacy account is created in the state treasury. All receipts from
the imposition of civil penalties under this chapter must be
deposited into the account. Moneys in the account may be spent only
after appropriation. Moneys in the account may only be used for the
purposes of recovery of costs and attorney’s fees accrued by the
attorney general in enforcing this chapter and for the office of
privacy and data protection as created under RCW 43.105.369. Moneys
may not be used to supplant general fund appropriations to either
agency.

NEW SECTION. Sec. 114. PREEMPTION. (1) Except as provided in
this section, this chapter supersedes and preempts laws, ordinances,
regulations, or the equivalent adopted by any local entity regarding
the processing of personal data by controllers or processors.
(2) Laws, ordinances, or regulations regarding the processing of
personal data by controllers or processors that are adopted by any
local entity prior to July 1, 2020, are not superseded or preempted.

NEW SECTION. Sec. 115. ATTORNEY GENERAL REPORT. (1) The
attorney general shall compile a report (a) evaluating the liability
and enforcement provisions of this chapter including, but not
limited to, the effectiveness of its efforts to enforce this
chapter, and any recommendations for changes to such provisions; and (b) summarizing the data protected and not protected by this chapter including, but not limited to, with reasonable detail, a list of the types of information that are publicly available from local, state, and federal government sources, and an inventory of information to which this chapter does not apply by virtue of a limitation in section 104 of this act. The attorney general may consult with the office of privacy and data protection when compiling the report and may update the report as new information becomes available.

(2) The attorney general shall submit the report to the governor and the appropriate committees of the legislature by July 1, 2022.

**NEW SECTION.** Sec. 116. JOINT RESEARCH INITIATIVES. The governor may enter into agreements with the governments of the Canadian province of British Columbia and the states of California and Oregon for the purpose of sharing personal data or personal information by public bodies across national and state borders to enable collaboration for joint data-driven research initiatives. Such agreements must provide reciprocal protections that the respective governments agree appropriately safeguard the data.

**NEW SECTION.** Sec. 117. A new section is added to chapter 42.56 RCW to read as follows:

Data protection assessments submitted by a controller to the attorney general in accordance with requirements under section 109 of this act are exempt from disclosure under this chapter.

**PART 2**

Data Privacy Regarding Public Health Emergency - Private Sector

**NEW SECTION.** Sec. 201. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
(1) "Authenticate" means to use reasonable means to determine that a request to exercise any of the rights in section 203 of this act is being made by the consumer who is entitled to exercise such rights with respect to the covered data at issue.

(2) "Child" means any natural person under thirteen years of age.

(3) "Consent" means a clear affirmative act signifying a freely given, specific, informed, and unambiguous indication of a consumer's agreement to the processing of covered data relating to the consumer, such as by a written statement, including by electronic means, or other clear affirmative action.

(4) "Consumer" means a natural person who is a Washington resident acting only in an individual or household context. It does not include a natural person acting in a commercial or employment context.

(5) "Controller" means the natural or legal person which, alone or jointly with others, determines the purposes and means of the processing of covered data.

(6) "Covered data" includes personal data and one or more of the following: specific geolocation data, proximity data, or personal health data.

(7) "Covered purpose" means processing of covered data concerning a consumer for the purposes of detecting symptoms of an infectious disease, enabling the tracking of a consumer's contacts with other consumers, or with specific locations to identify in an automated fashion whom consumers have come into contact with, or digitally notifying, in an automated manner, a consumer who may have become exposed to an infectious disease, or other similar purposes directly related to a state of emergency declared by the governor pursuant to RCW 43.06.010 and any restrictions imposed under the state of emergency declared by the governor pursuant to RCW 43.06.200 through 43.06.270.
(8) "Deidentified data" means data that cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable natural person, or a device linked to such person, provided that the controller that possesses the data:
(a) Takes reasonable measures to ensure that the data cannot be associated with a natural person; (b) publicly commits to maintain and use the data only in a deidentified fashion and not attempt to reidentify the data; and (c) contractually obligates any recipients of the information to comply with all provisions of this subsection.

(9) "Delete" means to remove or destroy information such that it is not maintained in human or machine-readable form and cannot be retrieved or utilized in the course of business.

(10) "Identified or identifiable natural person" means a consumer who can be readily identified, directly or indirectly.

(11)(a) "Personal data" means any information that is linked or reasonably linkable or describes or is reasonably capable of being associated to an identified or identifiable natural person. "Personal data" does not include deidentified data or publicly available information.

(b) For purposes of this subsection, "publicly available information" means information that is lawfully made available from federal, state, or local government records.

(12) (a) "Personal health data" means information relating to the past, present, or future diagnosis or treatment of a consumer regarding an infectious disease.

(13) "Process," "processed," or "processing" means any operation or set of operations which are performed on covered data or on sets of covered data by automated means, such as the collection, use, storage, disclosure, analysis, deletion, or modification of covered data.

(14) "Processor" means a natural or legal person that processes covered data on behalf of a controller.
(15) "Proximity data" means technologically derived information that identifies past or present proximity of one consumer to another, or the proximity of natural persons to other locations or objects.

(16) "Secure" means encrypted in a manner that meets or exceeds the national institute of standards and technology standard or is otherwise modified so that the covered data is rendered unreadable, unusable, or undecipherable by an unauthorized person.

(17) "Sell" means the exchange of covered data for monetary or other valuable consideration by the controller to a third party.

(18) "Specific geolocation data" means information derived from technology, including, but not limited to, global positioning system level latitude and longitude coordinates or other mechanisms, that directly identifies the specific location of a natural person with the precision and accuracy below one thousand seven hundred fifty feet. Specific geolocation data excludes the content of communications.

(19) "Third party" means a natural or legal person, public authority, agency, or body other than the consumer, controller, processor, or an affiliate of the processor or the controller.

NEW SECTION. Sec. 202. PROHIBITIONS. Except as provided in this chapter, it shall be unlawful for a controller or processor to:

(1) Process covered data for a covered purpose unless:

(a) The controller or processor provides the consumer with a privacy notice as required in section 207 of this act prior to or at the time of such processing; and

(b) The consumer provides consent for such processing;

(2) Disclose any covered data processed for a covered purpose to federal, state, or local law enforcement;

(3) Sell any covered data processed for a covered purpose; or

(4) Share any covered data processed for a covered purpose with another controller, processor, or third party unless such sharing is
governed by contract pursuant to section 206 of this act and is disclosed to a consumer in the notice required in section 207 of this act.

NEW SECTION. Sec. 203. CONSUMER RIGHTS. (1) A consumer has the right to opt-out of the processing of covered data concerning the consumer for a covered purpose.

(2) A consumer has the right to confirm whether or not a controller is processing covered data concerning the consumer for a covered purpose and access such covered data.

(3) A consumer has the right to request correction of inaccurate covered data concerning the consumer processed for a covered purpose.

(4) A consumer has the right to request deletion of covered data concerning the consumer processed for a covered purpose.

NEW SECTION. Sec. 204. EXERCISING CONSUMER RIGHTS. (1) A consumer may exercise the rights set forth in section 203 of this act by submitting a request, at any time, to a controller specifying which rights the consumer wishes to exercise.

(2) In the case of processing covered data concerning a known child, the parent or legal guardian of the known child shall exercise the rights of this chapter on the child's behalf.

(3) In the case of processing personal data concerning a consumer subject to guardianship, conservatorship, or other protective arrangement under chapter 11.88 RCW, chapter 11.92 RCW, or chapter 11.130 RCW, the guardian or the conservator of the consumer shall exercise the rights of this chapter on the consumer's behalf.

NEW SECTION. Sec. 205. RESPONDING TO REQUESTS. (1) Except as provided in this chapter, controllers that process covered data for a covered purpose must comply with a request to exercise the rights pursuant to section 203 of this act.
(2)(a) Controllers must provide one or more secure and reliable means for consumers to submit a request to exercise their rights under this chapter. Such means shall take into account the ways in which consumers interact with the controller and the need for secure and reliable communication of such requests.

(b) Controllers shall not require a consumer to create a new account in order to exercise a right, but a controller may require a consumer to use an existing account to exercise the consumer's rights under this chapter.

(3)(a) A controller must inform a consumer of any action taken on a request under section 204 of this act without undue delay and in any event within forty-five days of receipt of the request. That period may be extended once by forty-five additional days where reasonably necessary, taking into account the complexity and number of the requests. The controller must inform the consumer of any such extension within forty-five days of receipt of the request, together with the reasons for the delay.

(b) If a controller does not take action on the request of a consumer, the controller must inform the consumer without undue delay and at the latest within forty-five days of receipt of the request of the reasons for not taking action and instructions for how to appeal the decision with the controller as described in subsection (4) of this section.

(c) Information provided under this section must be provided by the controller free of charge, up to twice annually to the consumer. Where requests from a consumer are manifestly unfounded or excessive, in particular because of their repetitive character, the controller may either: (i) Charge a reasonable fee to cover the administrative costs of complying with the request, or (ii) refuse to act on the request. The controller bears the burden of demonstrating the manifestly unfounded or excessive character of the request.
(d) A controller is not required to comply with a request to exercise any of the rights under section 203 of this act if the controller is unable to authenticate the request using commercially reasonable efforts. In such cases, the controller may request the provision of additional information reasonably necessary to authenticate the request.

(4)(a) Controllers must establish an internal process whereby consumers may appeal a refusal to take action on a request to exercise any of the rights section 203 of this act within a reasonable period of time after the consumer's receipt of the notice sent by the controller under subsection (3)(b) of this section.

(b) The appeal process must be conspicuously available and as easy to use as the process for submitting such requests under this section.

(c) Within thirty days of receipt of an appeal, a controller must inform the consumer of any action taken or not taken in response to the appeal, along with a written explanation of the reasons in support thereof. That period may be extended by sixty additional days where reasonably necessary, taking into account the complexity and number of the requests serving as the basis for the appeal. The controller must inform the consumer of any such extension within thirty days of receipt of the appeal, together with the reasons for the delay. The controller must also provide the consumer with an email address or other online mechanism through which the consumer may submit the appeal, along with any action taken or not taken by the controller in response to the appeal and the controller's written explanation of the reasons in support thereof, to the attorney general.

(d) When informing a consumer of any action taken or not taken in response to an appeal pursuant to (c) of this subsection, the controller must clearly and prominently ask the consumer whether the consumer consents to having the controller submit the appeal, along with any action taken or not taken by the controller in response to
the appeal and must, upon request, provide the controller's written explanation of the reasons in support thereof, to the attorney general. If the consumer provides such consent, the controller must submit such information to the attorney general.

NEW SECTION.  Sec. 206. RESPONSIBILITY ACCORDING TO ROLE. (1) Controllers and processors are responsible for meeting their respective obligations established under this chapter.

(2) Processors are responsible under this chapter for adhering to the instructions of the controller and assisting the controller to meet its obligations under this chapter. Such assistance shall include the following:

(a) The processor shall assist the controller by appropriate technical and organizational measures, insofar as this is possible, for the fulfillment of the controller's obligation to respond to consumer requests to exercise their rights pursuant to section 203 of this act; and

(b) The processor shall assist the controller in meeting the controller's obligations in relation to the security of processing the covered data and in relation to the notification of a breach of the security of the system pursuant to RCW 19.255.010.

(3) Notwithstanding the instructions of the controller, a processor shall:

(a) Implement and maintain reasonable security procedures and practices to protect covered data;

(b) Ensure that each person processing the covered data is subject to a duty of confidentiality with respect to the data; and

(c) Engage a subcontractor only after providing the controller with an opportunity to object and pursuant to a written contract in accordance with subsection (5) of this section that requires the subcontractor to meet the obligations of the processor with respect to the covered data.
(4) Processing by a processor shall be governed by a contract between the controller and the processor that is binding on both parties and that sets out the processing instructions to which the processor is bound, including the nature and purpose of the processing, the type of data subject to the processing, the duration of the processing, and the obligations and rights of both parties. In addition, the contract shall include the requirements imposed by this subsection and subsection (3) of this section, as well as the following requirements:

(a) At the choice of the controller, the processor shall delete or return all covered data to the controller as requested at the end of the provision of services, unless retention of the covered data is required by law;

(b)(i) The processor shall make available to the controller all information necessary to demonstrate compliance with the obligations in this chapter; and (ii) the processor shall allow for, and contribute to, reasonable audits and inspections by the controller or the controller's designated auditor; alternatively, the processor may, with the controller's consent, arrange for a qualified and independent auditor to conduct, at least annually and at the processor's expense, an audit of the processor's policies and technical and organizational measures in support of the obligations under this chapter using an appropriate and accepted control standard or framework and audit procedure for such audits as applicable, and shall provide a report of such audit to the controller upon request.

(5) In no event shall any contract relieve a controller or a processor from the liabilities imposed on them by virtue of its role in the processing relationship as defined by this chapter.

(6) Determining whether a person is acting as a controller or processor with respect to a specific processing of data is a fact-based determination that depends upon the context in which personal data are to be processed. A person that is not limited in its
processing of covered data pursuant to a controller's instructions, or that fails to adhere to such instructions, is a controller and not a processor with respect to processing of covered data for a covered purpose. A processor that continues to adhere to a controller's instructions with respect to processing of covered data for a covered purpose remains a processor. If a processor begins, alone or jointly with others, determining the purposes and means of the processing of covered data for a covered purpose, it is a controller with respect to such processing.

NEW SECTION. Sec. 207. RESPONSIBILITIES OF CONTROLLERS. (1) Transparency. Controllers that process covered data for a covered purpose must provide consumers with a clear and conspicuous privacy notice that includes, at a minimum:

(a) How a consumer may exercise the rights contained in section 203 of this act, including how a consumer may appeal a controller's action with regard to the consumer's request;

(b) The categories of covered data processed by the controller;

(c) The purposes for which the categories of covered data are processed;

(d) The categories of covered data that the controller shares with third parties, if any; and

(e) The categories of third parties, if any, with whom the controller shares covered data.

(2) Purpose Specification. A controller's collection of covered data must be limited to what is reasonably necessary in relation to the covered purposes for which such data are processed.

(3) Data minimization. A controller's collection of covered data must be adequate, relevant, and limited to what is reasonably necessary in relation to the covered purpose for which such data are processed.

(4) Avoid secondary use. Except as provided in this chapter, a controller may not process covered data for purposes that are not
reasonably necessary to, or compatible with, the covered purposes for which such personal data are processed unless the controller obtains the consumer's consent. Controllers shall not process covered data or deidentified data that was processed for a covered purpose for purposes of marketing, developing new products or services, or engaging in commercial product or market research.

(5) Security. A controller shall establish, implement, and maintain reasonable administrative, technical, and physical data security practices to protect the confidentiality, integrity, and accessibility of covered data. Such data security practices shall be appropriate to the volume and nature of the personal data at issue.

(6) Retention. A controller must delete or deidentify all covered data processed for a covered purpose when such data is no longer being used for such covered purpose.

(7) Nondiscrimination. A controller shall not process personal data on the basis of a consumer's or a class of consumers' actual or perceived race, color, ethnicity, religion, national origin, sex, gender, gender identity, sexual orientation, familial status, lawful source of income, or disability, in a manner that unlawfully discriminates against the consumer or class of consumers with respect to the offering or provision of (a) housing, (b) employment, (c) credit, (d) education, or (e) the goods, services, facilities, privileges, advantages, or accommodations of any place of public accommodation.

(8) Nonwaiver of consumer rights. Any provision of a contract or agreement of any kind that purports to waive or limit in any way a consumer's rights under this chapter shall be deemed contrary to public policy and shall be void and unenforceable.
(a) Comply with federal, state, or local laws, rules, or regulations; or
(b) Process deidentified information to engage in public or peer-reviewed scientific, historical, or statistical research in the public interest that adheres to all other applicable ethics and privacy laws as long as such processing is disclosed to the individual in the notice required under section 204 of this act.

(2) Covered data that are processed by a controller pursuant to this section must not be processed for any purpose other than those expressly listed in this section. Covered data that are processed by a controller pursuant to this section may be processed solely to the extent that such processing is: (i) Necessary, reasonable, and proportionate to the purposes listed in this section; and (ii) adequate, relevant, and limited to what is necessary in relation to the specific purpose or purposes listed in this section. Furthermore, covered data that are collected, used, or retained pursuant to subsection (2) of this section must, insofar as possible, taking into account the nature and purpose or purposes of such collection, use, or retention, be subjected to reasonable administrative, technical, and physical measures to protect the confidentiality, integrity, and accessibility of the covered data, and to reduce reasonably foreseeable risks of harm to consumers relating to such collection, use, or retention of covered data.

(3) If a controller processes covered data pursuant to an exemption in subsection (1) of this section, the controller bears the burden of demonstrating that such processing qualifies for the exemption and complies with the requirements in subsection (2) of this section.

(4) Processing covered data solely for the purposes expressly identified in subsection (1) of this section does not, by itself, make an entity a controller with respect to such processing.
NEW SECTION. Sec. 209. LIABILITY. (1) Any violation of this chapter shall not serve as the basis for, or be subject to, a private right of action under this chapter or under any other law. This does not relieve any party from any duties or obligations imposed, or to alter any independent rights that consumers have under other laws, chapter 19.86 RCW, the Washington state Constitution, or the United States Constitution.

(2) Where more than one controller or processor, or both a controller and a processor, involved in the same processing, is in violation of this chapter, the liability must be allocated among the parties according to principles of comparative fault.

NEW SECTION. Sec. 210. ENFORCEMENT. (1) The legislature finds that the practices covered by this chapter are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this chapter is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.

(2) This chapter may be enforced solely by the attorney general under the consumer protection act, chapter 19.86 RCW.

(3) Prior to initiating any action under this act, the attorney general must provide a controller thirty days’ written notice identifying the specific provisions of this title the attorney general, on behalf of a consumer, alleges have been or are being violated. In the event a cure is possible, if within the thirty days the controller cures the noticed violation and provides the consumer an express written statement that the violations have been cured and that no further violations shall occur, no action for statutory damages may be initiated against the controller. If a controller continues to violate this title in breach of the express written statement provided to the consumer under this subsection, the
attorney general may initiate an action and seek damages of up to seven thousand and five hundred dollars for each violation under this act.

(4) All receipts from the imposition of civil penalties under this chapter must be deposited into the consumer privacy account established in section 113 of this act.

NEW SECTION.  Sec. 211.  PREEMPTION.  (1) Except as provided in this section, this chapter supersedes and preempts laws, ordinances, regulations, or the equivalent adopted by any local entity regarding the processing of covered data for a covered purpose by controllers or processors.

(2) Laws, ordinances, or regulations regarding the processing covered data for a covered purpose by controllers or processors that are adopted by any local entity prior to July 1, 2020, are not superseded or preempted.

PART 3
Data Privacy Regarding Public Health Emergency - Public Sector

NEW SECTION.  Sec. 301.  The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Consent" means a clear affirmative act signifying a freely given, specific, informed, and unambiguous indication of an individual's agreement to the processing of covered data relating to the individual, such as by a written statement, including by electronic means, or other clear affirmative action.

(2) "Controller" means the local government, state agency, or institutions of higher education which, alone or jointly with others, determines the purposes and means of the processing of covered data.
(3) "Covered data" includes personal data and one or more of the following: specific geolocation data, proximity data, or personal health data.

(4) "Covered purpose" means processing of covered data concerning an individual for the purposes of detecting symptoms of an infectious disease, enabling the tracking of an individual's contacts with other individuals, or with specific locations to identify in an automated fashion whom individuals have come into contact with, or digitally notifying, in an automated manner, an individual who may have become exposed to an infectious disease, or other similar purposes directly related to a state of emergency declared by the governor pursuant to RCW 43.06.010 and any restrictions imposed under the state of emergency declared by the governor pursuant to RCW 43.06.200 through 43.06.270.

(5) (a) "Deidentified data" means data that cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable natural person, or a device linked to such person, provided that the controller that possesses the data:

   (i) Takes reasonable measures to ensure that the data cannot be associated with a natural person; (ii) publicly commits to maintain and use the data only in a deidentified fashion and not attempt to reidentify the data; and (iii), except as provided in subsection (b) of this subsection, contractually obligates any recipients of the information to comply with all provisions of this subsection. (b) For purposes of this subsection, the obligations imposed under (iii) of this subsection shall not apply when a controller discloses deidentified data to the public pursuant to chapter 42.56 RCW or other state disclosure laws.

(6) "Delete" means to remove or destroy information such that it is not maintained in human or machine-readable form and cannot be retrieved or utilized in the course of business.

(7) "Identified or identifiable natural person" means an individual who can be readily identified, directly or indirectly.
"Individual" means a natural person who is a Washington resident acting only in an individual or household context. It does not include a natural person acting in a commercial or employment context.

"Institutions of higher education" has the same meaning as in RCW 28B.92.030.

"Local government" has the same meaning as in RCW 39.46.020.

"Local health departments" has the same meaning as in RCW 70.05.010.

"Personal data" means any information that is linked or reasonably linkable or describes or is reasonably capable of being associated to an identified or identifiable natural person. "Personal data" does not include deidentified data or publicly available information.

For purposes of this subsection, "publicly available information" means information that is lawfully made available from federal, state, or local government records.

"Personal health data" means information relating to the past, present, or future diagnosis or treatment of an individual regarding an infectious disease.

"Process," "processed," or "processing" means any operation or set of operations which are performed on covered data or on sets of covered data by automated means, such as the collection, use, storage, disclosure, analysis, deletion, or modification of covered data.

Processing does not include means such as recognized investigatory measures intended to gather information to facilitate investigations including but not limited to traditional in-person, email, or telephonic activities used as of the effective date of this act by the department of health, created under chapter 43.70 RCW, or local health departments to provide for the control and prevention of any dangerous, contagious, or infectious disease.
(15) "Processor" means a natural or legal person, local government, state agency, or institutions of higher education that processes covered data on behalf of a controller.

(16) "Proximity data" means technologically derived information that identifies past or present proximity of one individual to another, or the proximity of natural persons to other locations or objects.

(17) "Secure" means encrypted in a manner that meets or exceeds the national institute of standards and technology standard or is otherwise modified so that the covered data is rendered unreadable, unusable, or undecipherable by an unauthorized person.

(18) "Sell" means the exchange of covered data for monetary or other valuable consideration by the controller to a third party. For the purposes of this subsection, "sell" does not include the recovery of fees by a controller.

(19) "Specific geolocation data" means information derived from technology, including, but not limited to, global positioning system level latitude and longitude coordinates or other mechanisms, that directly identifies the specific location of a natural person with the precision and accuracy below one thousand seven hundred fifty feet. Specific geolocation data excludes the content of communications.

(20) "State agency" has the same meaning as in RCW 43.105.020.

(21) "Third party" means a natural or legal person, public authority, agency, or body other than the individual, controller, processor, or an affiliate of the processor or the controller.

NEW SECTION. Sec. 302. PROHIBITIONS. Except as provided in this chapter, it shall be unlawful for a controller or processor to:

(1) Process covered data for a covered purpose unless:

(a) The controller or processor provides the individual with a privacy notice prior to or at the time of such processing; and

(b) The individual provides consent for such processing;
(2) Disclose any covered data processed for a covered purpose to federal, state, or local law enforcement;

(3) Sell any covered data processed for a covered purpose; or

(4) Share any covered data processed for a covered purpose with another controller, processor, or third party unless such sharing is governed by contract or data sharing agreement as prescribed in section 303 of this act and is disclosed to an individual in the notice required in section 304 of this act.

NEW SECTION. Sec. 303. RESPONSIBILITY ACCORDING TO ROLE. (1) Controllers and processors are responsible for meeting their respective obligations established under this chapter.

(2) Processors are responsible under this chapter for adhering to the instructions of the controller and assisting the controller to meet its obligations under this chapter. Such assistance shall include the processor assisting the controller in meeting the controller's obligations in relation to the security of processing the covered data and in relation to the notification of a breach of the security of the system pursuant to RCW 42.56.590.

(3) Notwithstanding the instructions of the controller, a processor shall:

   (a) Implement and maintain reasonable security procedures and practices to protect covered data;

   (b) Ensure that each person processing the covered data is subject to a duty of confidentiality with respect to the data; and

   (c) Engage a subcontractor only after providing the controller with an opportunity to object and pursuant to a written contract in accordance with subsection (5) of this section that requires the subcontractor to meet the obligations of the processor with respect to the covered data.

(4) Processing by a processor shall be governed by a contract or data sharing agreement between the controller and the processor that is binding on both parties and that sets out the processing
instructions to which the processor is bound, including the nature and purpose of the processing, the type of data subject to the processing, the duration of the processing, and the obligations and rights of both parties. In addition, the contract or data sharing agreement shall include the requirements imposed by this subsection and subsection (3) of this section, as well as the following requirements:

(a) At the choice of the controller, the processor shall delete or return all covered data to the controller as requested at the end of the provision of services, unless retention of the covered data is required by law;

(b)(i) The processor shall make available to the controller all information necessary to demonstrate compliance with the obligations in this chapter; and (ii) the processor shall allow for, and contribute to, reasonable audits and inspections by the controller or the controller's designated auditor; alternatively, the processor may, with the controller's consent, arrange for a qualified and independent auditor to conduct, at least annually and at the processor's expense, an audit of the processor's policies and technical and organizational measures in support of the obligations under this chapter using an appropriate and accepted control standard or framework and audit procedure for such audits as applicable, and shall provide a report of such audit to the controller upon request.

(5) In no event shall any contract or data sharing agreement relieve a controller or a processor from the liabilities imposed on them by virtue of its role in the processing relationship as defined by this chapter.

(6) Determining whether a person is acting as a controller or processor with respect to a specific processing of data is a fact-based determination that depends upon the context in which covered data are to be processed. A person that is not limited in its processing of covered data pursuant to a controller's instructions,
or that fails to adhere to such instructions, is a controller and not a processor with respect to processing of covered data for a covered purpose. A processor that continues to adhere to a controller's instructions with respect to processing of covered data for a covered purpose remains a processor. If a processor begins, alone or jointly with others, determining the purposes and means of the processing of covered data for a covered purpose, it is a controller with respect to such processing.

NEW SECTION. Sec. 304. RESPONSIBILITIES OF CONTROLLERS. (1) Transparency. Controllers that process covered data for a covered purpose must provide individuals with a clear and conspicuous privacy notice that includes, at a minimum:

(a) The categories of covered data processed by the controller;
(b) The purposes for which the categories of covered data are processed;
(c) The categories of covered data that the controller shares with third parties, if any; and
(d) The categories of third parties, if any, with whom the controller shares covered data.

(2) Purpose Specification. A controller's collection of covered data must be limited to what is reasonably necessary in relation to the covered purpose for which such data are processed.

(3) Data minimization. A controller's collection of covered data must be adequate, relevant, and limited to what is reasonably necessary in relation to the covered purposes for which such data are processed.

(4) Avoid secondary use. Except as provided in this chapter, a controller may not process covered data for purposes that are not reasonably necessary to, or compatible with, the covered purpose for which such covered data are processed unless the controller obtains the individual's consent. Controllers shall not process covered data or deidentified data that was processed for a covered purpose.
purpose for purposes of marketing, developing new products or services, or engaging in commercial product or market research.

(5) Security. A controller shall establish, implement, and maintain reasonable administrative, technical, and physical data security practices to protect the confidentiality, integrity, and accessibility of covered data. Such data security practices shall be appropriate to the volume and nature of the personal data at issue.

(6) Retention. A controller must delete or deidentify all covered data processed for a covered purpose when such data is no longer being used for a covered purpose and has met records retention as required by federal or state law.

(7) Nondiscrimination. A controller shall not process covered data on the basis of an individual’s or a class of individuals' actual or perceived race, color, ethnicity, religion, national origin, sex, gender, gender identity, sexual orientation, familial status, lawful source of income, or disability, in a manner that unlawfully discriminates against the individual or class of individuals with respect to the offering or provision of (a) housing, (b) employment, (c) credit, (d) education, or (e) the goods, services, facilities, privileges, advantages, or accommodations of any place of public accommodation.

NEW SECTION. Sec. 305. LIMITATIONS AND APPLICABILITY. (1) The obligations imposed on controllers or processors under this chapter do not restrict a controller's or processor's ability to:

(a) Comply with federal, state, or local laws, rules, or regulations; or

(b) Process deidentified information to engage in public or peer-reviewed scientific, historical, or statistical research in the public interest that adheres to all other applicable ethics and privacy laws as long as such processing is disclosed to the individual in the notice required under section 304 of this act.
(2) Covered data that are processed by a controller pursuant to this section must not be processed for any purpose other than those expressly listed in this section. Covered data that are processed by a controller pursuant to this section may be processed solely to the extent that such processing is: (i) Necessary, reasonable, and proportionate to the purposes listed in this section; and (ii) adequate, relevant, and limited to what is necessary in relation to the specific purpose or purposes listed in this section. Furthermore, covered data that are collected, used, or retained pursuant to subsection (2) of this section must, insofar as possible, taking into account the nature and purpose or purposes of such collection, use, or retention, be subjected to reasonable administrative, technical, and physical measures to protect the confidentiality, integrity, and accessibility of the covered data, and to reduce reasonably foreseeable risks of harm to individuals relating to such collection, use, or retention of covered data.

(3) If a controller processes covered data pursuant to an exemption in subsection (1) of this section, the controller bears the burden of demonstrating that such processing qualifies for the exemption and complies with the requirements in subsection (2) of this section.

(4) Processing covered data solely for the purposes expressly identified in subsection (1)(a) and (b) of this section does not, by itself, make an entity a controller with respect to such processing.

NEW SECTION.  Sec. 306. LIABILITY. Where more than one controller or processor, or both a controller and a processor, involved in the same processing, is in violation of this chapter, the liability must be allocated among the parties according to principles of comparative fault.

NEW SECTION.  Sec. 307. ENFORCEMENT. (1) Any waiver of the provisions of this chapter is contrary to public policy, and is void and unenforceable.
(2)(a) Any individual injured by a violation of this chapter may institute a civil action to recover damages.

(b) Any controller that violates, proposes to violate, or has violated this chapter may be enjoined.

(c) The rights and remedies available under this chapter are cumulative to each other and to any other rights and remedies available under law.

PART 4

NEW SECTION. Sec. 401. Sections 101 through 116 and sections 201 through 211 of this act constitute new chapters in Title 19 RCW.

NEW SECTION. Sec. 402. Sections 301 through 307 of this act constitute a new chapter in Title 43 RCW.

NEW SECTION. Sec. 403. Except for sections 1, 2, and 101 through 117, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

NEW SECTION. Sec. 404. Sections 1, 2, and 101 through 117 of this act take effect one hundred and twenty days after enactment.

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